



STATE OF WEST VIRGINIA  
OFFICE OF THE ATTORNEY GENERAL  
DARRELL V. MCGRAW, JR.  
CONSUMER PROTECTION DIVISION  
1-800-368-8808 or 304-558-8986

# Press Release

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## FOR IMMEDIATE RELEASE

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### **Attorney General McGraw Sues Four Unlicensed Collection Agencies; NY, Seattle Firms Cited**

CHARLESTON, WV – Today, West Virginia Attorney General Darrell McGraw's Consumer Protection Division filed two lawsuits against four collection agencies headquartered in the states of Washington and New York for doing business in West Virginia without a license and violating West Virginia consumer protection laws.

The first suit named four affiliated companies based in Hawthorne, NY: Cavalry Portfolio Services, which collects debts for its unlicensed affiliates; and unlicensed debt-purchasing companies Cavalry Investments; Cavalry SPV; and Cavalry SPV II.

That suit alleges that Cavalry Investments and Cavalry SPV I and II purchased an unknown number of charged-off credit card accounts and filed numerous suits in West Virginia without a license to collect the debts as required by state tax department regulations. The suit also alleges that the Cavalry companies have refused to comply with the investigative subpoena issued by McGraw's office.

"Debt purchasers like the Cavalry companies have flooded the West Virginia courts with suits against financially unsophisticated consumers that often end in default judgments, garnishment of wages, and liens on homes – even without actual proof of the debt," Attorney General McGraw said. "In this case, Cavalry has refused to become licensed as a collection agency and failed to disclose its business activities in response to our subpoena."

The second suit brought by the Attorney General McGraw's Consumer Protection Division contends that Seattle Service Bureau, Inc., which does business as National Service Bureau, of Shoreline, WA, is also unlicensed to collect debts in West Virginia and has added illegal interest, collection fees and other charges to debts allegedly owed by West Virginia consumers. State law says that except for certain education loans collection agencies are prohibited from adding fees to the debts they attempt to collect.

"National Service Bureau has refused to cooperate with the efforts of my office to recoup unlawful charges and fees that it has collected from West Virginia consumers for many years," McGraw continued. "We will continue to take any actions that are necessary to protect West Virginia consumers from collection agencies that refuse to abide by our laws."

Consumers can file complaints or alert Attorney General McGraw's office to unfair or deceptive practices by calling the Consumer Protection Hot Line, 1-800-368-8808, or by obtaining a complaint form from the consumer web page at [www.wvago.gov](http://www.wvago.gov).

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